



HUTCHISON CHINA MEDITECH LTD

**Hutchison China Meditech Limited ("Chi-Med")  
(AIM: HCM)**

**Chi-Med locks-in property gain and protects low cost R&D structure through  
acquisition of Shanghai facility**

**London, Monday, 18 June 2007:** Chi-Med today announces its wholly-owned drug R&D subsidiary, Hutchison MediPharma Limited ("Hutchison MediPharma"), has purchased a building of 5,024 sq.m. located at Zhang Jiang High-Tech Park in Pudong, Shanghai, China ("ZJ High-Tech Park") it has leased for the past three years from Zhang Jiang Biotech and Pharmaceutical Base Development Co. Ltd. for a total price of US\$3.3 million. The building, which houses all Hutchison MediPharma's R&D facilities and its 120 scientists and staff, has expansion capacity for up to 300 staff.

The purchase price of US\$3.3 million, which is well below the current market price of approximately US\$5.6 million, is the result of an agreement made in early 2004 that originally enticed Hutchison MediPharma to become the first foreign drug R&D operator to move to ZJ High-Tech Park. Since then, others including Pfizer, Lilly, Astra Zeneca, Roche and Novartis have established R&D operations in ZJ High-Tech Park making it China's main drug R&D hub. This influx combined with growth in overall Shanghai property demand have led to a rapid rise in both rental and purchase prices.

Mr. Christian Hogg, CEO of Chi-Med, said:

"This is a modern facility, tailor-made and ideally located for Hutchison MediPharma's current and future drug R&D needs. We have taken the opportunity to buy a valuable, and fully transferable, asset at considerably below current market value. It is a very good use of a small portion of Chi-Med's current US\$66 million in available cash and importantly will help lock-in a low cost operating structure on the drug R&D business."

**Ends**

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**Notes to Editors**

Chi-Med is the holding company of a pharmaceutical and healthcare group based primarily in China and was admitted to trading on the Alternative Investment Market of the London Stock Exchange in

May 2006. Chi-Med is focused on researching, developing, manufacturing, and selling pharmaceuticals, health supplements and other consumer health and personal care products derived from Traditional Chinese Medicine and botanical ingredients.

Hutchison MediPharma is Chi-Med's wholly-owned drug research and development company and has a team of around 120 scientists and staff focusing on botanical drugs, semi-synthetic natural product drugs, and synthetic single chemical entity drugs. It currently has two candidates in clinical development in both the US and China. HMPL-002, a radiosensitiser for head and neck and non-small cell lung cancer, is in Phase I/II in the US and in proof-of-concept in China. HMPL-004, an inhibitor to a group of inflammatory cytokines, for treatment of inflammatory bowel diseases, including Crohn's Disease and Ulcerative Colitis, is in Phase II in the US and in proof-of-concept in China. Hutchison MediPharma also has a pipeline of single molecular entity discovery projects in the auto-immune/inflammatory diseases and oncology therapeutic areas which have shown activity against clinically validated targets.

Chi-Med is majority owned by Hutchison Whampoa Limited, an international corporation listed on the Main Board of The Stock Exchange of Hong Kong Limited.